

AGENDA

CABINET MEETING



Date: Tuesday 2 October 2012
Time: 3.00 pm
Venue: Civic Centre, Tannery Lane,
Ashford

Membership:

Councillors Garland (Chairman), Greer, Hotson,
Paine, Mrs Ring and J.A. Wilson

Page No.

1. Apologies for Absence
2. Notification of Visiting Members
3. Disclosures by Members and Officers
4. Disclosures of lobbying
5. To consider whether any items should be taken in private because of the possible disclosure of exempt information

Continued Over/:

Issued on 24 September 2012

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact JANET BARNES on 01622 602242**. To find out more about the work of the Cabinet, please visit www.maidstone.gov.uk

**Alison Broom, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone Kent ME15 6JQ**

KEY DECISION REPORTS

6. Report of the Assistant Director of Environment and Regulatory Services - Mid Kent Joint Waste Collection and Street Cleaning Project - Contract Award 1 - 5

PART II

To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.

**Head of Schedule 12A/
Brief Description**

7. Exempt Appendix to the Report of the Assistant Director of Environment and Regulatory Services - Mid Kent Joint Waste Collection and Street Cleaning Project - Contract Award 3 = Financial/Business Affairs 6 - 97

MAIDSTONE BOROUGH COUNCIL

CABINET 2nd OCTOBER 2012

REPORT OF THE ASSISTANT DIRECTOR OF ENVIRONMENT AND REGULATORY SERVICES

Report prepared by Steve Goulette

1. MID KENT JOINT WASTE COLLECTION AND STREET CLEANSING PROJECT – CONTRACT AWARD

1.1 Key Issue for Decision

1.1.1 To consider the outcome of the procurement process and award the contract for the provision of the Mid Kent Joint Waste Contract to Tenderer C.

1.2 Recommendation of the Assistant Director of Environment and Regulatory Services

Subject to the two other Councils agreeing:-

1.2.1 That Cabinet approves the award of the mid Kent Joint Waste Contract to Tenderer C.

1.2.2 That the revised Inter Authority Agreement (IAA) detailed in the exempt Appendix B be agreed.

1.2.3 That the Joint Working Agreement (JWA) detailed in the exempt Appendix C be agreed.

1.2.4 That delegated authority be given to the Assistant Director of Environment and Regulatory Services to make minor changes to the IAA and JWA.

1.3 Reasons for Recommendation

1.3.1 In October 2011 Cabinet resolved to undertake a joint procurement of the council's waste and recycling contract with Ashford and Swale Borough Councils. Kent County Council was also a partner as savings were likely to come forward from its waste disposal arrangements that could be shared across the four partners. A joint Inter Agency Agreement was signed by the four parties.

1.3.2 The Mid Kent Joint Waste Project (MKJWP) seeks to provide the most cost effective means of collection and processing waste/resources. A preferred collection method(PCM) was identified :-

- Weekly food waste collection;
- Fortnightly residual waste;
- Fortnightly recycling collection with separate insert for collection of paper and card;

- Separate paid for garden waste collection.

1.3.3 Ashford and Swale also included street cleansing in the contract proposals and Maidstone included its mechanical sweeping.

1.3.4 A competitive dialogue process was adopted which allowed detailed discussions with the bidders and allowed innovation and the latest collection methods to come forward. This process is fully compliant with European Procurement Directives, National Regulations, the Council's Standing Orders and recognised procurement best practice.

1.3.5 The Tender Report & Client Acceptance Memo which is attached as Exempt Appendix A explains in more detail how the recommendation was reached. This has been prepared by the Maidstone procurement team which managed the procurement arrangements. The report describes the tender process from the initial Pre-Qualification Questionnaire through to the final assessment.

1.3.6 The report demonstrates how the Invitation to Tender (ITT) documents and the dialogue interviews were undertaken and assessed. To assist the officers undertaking the evaluation, a consultant was appointed to provide technical expertise.

1.3.7 Each of the final three tender submissions provided a solution that could provide the service required.

1.3.8 The bids were evaluated against quality (40%) and cost (60%). There was a clear margin between the successful tender and the other two tender submissions. Tenderer C was able to demonstrate on both cost and quality that its proposal offers a service that meets the councils' requirements and offers significant savings to each of the partners.

1.3.9 Tenderer C's submitted a bid that represented the lowest cost to the partnership and consequently scored the highest price score as well as the highest quality score.

1.3.10.The submissions from Tenderer A and B are not recommended for the following reasons:-

- 1.3.11 Although submitting compliant and viable solutions they were more expensive than Tenderer C and were awarded lower scores by the evaluation team for their service delivery proposals.
- 1.3.12 The original Inter Agency Agreement (IAA) has been amended to reflect the outcome of the tendering process and is attached at Appendix B for approval.
- 1.3.13 In addition a Joint Working Agreement is attached at Appendix C also for agreement. This sets out the joint arrangements between the three Councils and Kent County Council for the day to day management of the contract. It has been agreed that Maidstone will act as the administering authority, making payments to the contractor etc and this is reflected in the agreement. The supervising officer's role, effectively the contract manager, will rotate between the three authorities.

1.4 Alternative Action and why not Recommended

- 1.4.1 Cabinet could choose to accept a different tender. However this would not provide the best value for money and would be contrary to the procurement regulations and could lead to challenge from the other bidders. Tenderer C's bid meets the requirements of the four Councils and produces significant savings for all the partners.
- 1.4.2 Cabinet could decide to abandon the procurement process but this would leave the Council without a contractor to deliver the service.
- 1.4.3 As the Procurement process was a joint exercise, requiring a single outcome for all three authorities, it would be non-compliant for either of the other councils to accept the recommendation and award separately. Thus also leaving Ashford or Swale without a contractor to provide the service.

1.5 Impact on Corporate Objectives

- 1.5.1 The provision of a high quality waste and recycling service supports the council's Strategic Plan priority 'For Maidstone to be a decent place to live'.

1.6 Risk Management

- 1.6.1 A full risk register has been produced as part of the project documentation and a summary is provided in Appendix D

1.7 Other Implications

1.7.1

1.	Financial	X
2.	Staffing	X
3.	Legal	X
4.	Equality Impact Needs Assessment	X
5.	Environmental/Sustainable Development	
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	X
9.	Asset Management	

1.7.2 Financial The financial implications are contained within the exempt report.

1.7.3 Staffing – Existing staff resources will be used to manage and operate the contract.

1.7.4 Legal – The contract, IAA and working agreement will be legally binding on all parties.

1.7.5 Equality Impact Assessment – A detailed assessment has been undertaken and is included in the project documentation.

1.7.6 Procurement – The contract has been tendered in accordance with European Directives, National Legislation and Maidstone Borough Council’s procurement rules. The published notice in The Official Journal of the European Union (OJEU) stated that the award would be on the basis of the most economically advantageous tender (MEAT). The assessment of the tender bids was carried out on this basis and the tender report outlining the procedure followed and the outcome is attached as Appendix A to the exempt report. The recommendation of the Tender Report & Client Acceptance Memo is to award the contract to Tenderer C as it had submitted the overall best bid.

1.8 Relevant Documents

1.8.1 Appendices

Exempt Appendix A - Tender Report & Client Acceptance Memo
Exempt Appendix B - Revised Inter Agency Agreement
Exempt Appendix C - Joint working agreement
Appendix D - Summary of risk register

Background Documents

EU Procurement Rules
Maidstone Borough Council's Contract Procurement Rules.
Cabinet report on the waste and recycling tendering strategy, October 2011.
Project risk register

IS THIS A KEY DECISION REPORT?

Yes

No

If yes, when did it first appear in the Forward Plan?

September 2011

This is a Key Decision because: The value of the contract exceeds £250,000. The decision affects more than one Ward

Wards/Parishes affected: all in each of the boroughs.

Agenda Item 7

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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